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INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT TO EQUIPMENT LEASE,
ASSIGNMENT, CHATTEL MORTGAGE AND SECURITY AGREEMENTRe: Duluth, Winnipeg & Pacific Railway Company
(D. W. P. Trust No. 1)

THIS FIRST AMENDMENT TO EQUIPMENT LEASE, ASSIGNMENT, CHATTEL MORTGAGE AND SECURITY AGREEMENT dated as of June 1, 1970, among GEORGE D. MACKAY AND EDWARD E. CASTANS, not in their individual capacities but solely as Trustees under a Trust Agreement dated as of June 1, 1970 (the "Lessor"), UNITED STATES LEASING INTERNATIONAL, INC., a California corporation, as agent for Lessor (the "Agent") and DULUTH, WINNIPEG & PACIFIC RAILWAY COMPANY, a Maine corporation (the "Lessee") and Liberty Mutual Insurance Company, a Massachusetts corporation, and Liberty Mutual Fire Insurance Company, a Massachusetts corporation (collectively the "Secured Parties" and individually "Secured Party").

W I T N E S S E T H:

WHEREAS, the Lessor, the Lessee, the Agent and the Secured Parties have heretofor executed and delivered that certain Equipment Lease, Assignment, Chattel Mortgage and Security Agreement dated as of June 1, 1970 (the "Equipment Agreement") providing for the lease thereunder by the Lessor to the Lessee of certain steel bulkhead flat cars, all as more fully described in Schedules 1-A and 1-B attached to said Equipment Agreement; and


WHEREAS, the Lessor, the Lessee and the Agent desire to amend the Lease as hereinafter set forth:

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged, the Lessor, Lessee and the Agent hereby covenant and agree that the Lease shall be deemed to be and it is hereby amended as follows:

1. Subparagraph (a) of Section 14.1 shall be and is hereby amended so as to read in its entirety:

"(a) Default shall be made in the payment of any part of the rental provided for in Section 2 hereof and such default shall continue for five days; or".

2. Division I and Division II of the first grammatical paragraph of Section 16.1 shall be and they are hereby amended so as to read in their entirety:



"DIVISION I

(a) To Liberty Mutual Fire Insurance Company: all Items of Equipment described in Schedule I-A hereto, together with all accessories, equipment parts and appurtenances appertaining or attached to any of such Equipment whether now owned or hereafter acquired, and all substitutions, renewals and replacements of and additions, improvements, accessions and accumulations to any and all of such Equipment together with all the rents, issues, income, profits and avails therefrom.

(b) To Liberty Mutual Insurance Company: all Items of Equipment described in Schedule I-B hereto, together with all accessories, equipment parts and appurtenances appertaining or attached to any of such Equipment whether now owned or hereafter acquired, and all substitutions, renewals and replacements of and additions improvements, accessions and accumulations to any and all of such Equipment together with all the rents, issues, income, profits and avails therefrom.

DIVISION II

To Each Secured Party: all right, title and interest of the Lessor, as Lessor, in, under and to this Agreement and all rents and other sums due and to become due thereunder including any and all extensions or renewals thereof insofar as the same cover or relate to the Equipment mortgaged to such Secured Party pursuant to Division I (excepting and reserving, however, the initial installment of Fixed Rental) it being the intent and purpose hereof that the assignment and transfer to each Secured Party of said rents and other sums due and to become due from the Lessor under this Agreement shall be effective and operative immediately and shall continue in full force and effect and the Secured Party shall have the right to collect and receive said rents and other sums for application in accordance with the provisions of Section 23 hereof at all time during the period from and after the date of this Agreement until the indebtedness hereby secured has been fully paid and discharged."

3. Section 22.1 shall be and is hereby amended to read in its entirety:

"22.1. Release of Property. So long as no default referred to in Section 14 hereof has occurred and is continuing, the Secured Party shall execute a release in respect of any Item of Equipment designated by the Lessee for settlement pursuant to Section 11 hereof upon receipt from the Lessee of

written notice designating the Item of Equipment in respect of which the lease term will terminate and the receipt from the Lessee of the Casualty Value payment for such Item of Equipment in compliance with Section 11 hereof."

4. Subparagraph (c) of Section 23.1 shall be and is hereby deleted.

Whenever in any certificate, letter, notice or other instrument reference is made to the Equipment Agreement, such reference without more shall include reference to this Amendment.

Except to the extent hereby amended and modified, the Equipment Agreement is in all respects ratified, confirmed and approved.

This Amendment may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Amendment.

IN WITNESS WHEREOF, the Trustees have hereunto set their hands and seals and the Agent, Lessee and the Secured Parties have caused this First Amendment to Equipment Lease, Assignment, Chattel Mortgage and Security Agreement to be executed by their respective officers thereunder duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

George D. MacKay and Edward E. Castans, as Trustees under D. W. P. Trust No. 1

By Edward E. Castans

DULUTH, WINNIPEG & PACIFIC RAILWAY
COMPANY

By Eric R. Johnston
Its VICE PRESIDENT LESSEE

D.W.P.
Approved
as to form

(Corporate Seal)

Attest:

[Signature]

ASSISTANT Secretary

UNITED STATES LEASING INTERNATIONAL,
INC.

By W. A. Ziskant
Its President
AGENT FOR LESSOR

(Corporate Seal)

Attest:

[Signature]
Secretary

LIBERTY MUTUAL [REDACTED] INSURANCE
COMPANY

By [Signature]
Its L. S. GLIDDEN, JR. VICE PRESIDENT & TREASURER

(Corporate Seal)

Attest:

Mary R. Saccin
Asst. Secretary

LIBERTY MUTUAL FIRE INSURANCE
COMPANY

By [Signature]
Its L. S. GLIDDEN, JR. TREASURER

(Corporate Seal)

Attest:

Mary R. Saccin
Asst. Secretary

The undersigned, Canadian National Railway Company, the guarantor under the certain Guaranty Agreement dated as of June 1, 1970 in respect of the obligations of Duluth, Winnipeg & Pacific Railway Company, as Lessee under said Equipment Lease, Assignment, Chattel Mortgage and Security Agreement dated as of June 1, 1970, consents and agrees to the execution by Duluth, Winnipeg & Pacific Railway Company of the above and foregoing First Amendment.

Dated as of June 1, 1970

CANADIAN NATIONAL RAILWAY COMPANY

By [Signature]
Its Vice President

(Corporate Seal)

Attest:

[Signature]
Its Deputy Secretary
ASSISTANT



STATE OF CALIFORNIA)
) SS
CITY AND COUNTY OF SAN FRANCISCO)

On this 21 day of July, 1970, before me personally appeared W. H. RUSKAUP, to me personally known, who being by me duly sworn, says that he is the Vice President of UNITED STATES LEASING INTERNATIONAL, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna L. Armstrong
Notary

(Seal)

My commission expires:
My Commission Expires November 3, 1970

PROVINCE OF QUEBEC)
) SS
CITY OF MONTREAL)

On this 5th day of ^{August} ~~July~~, 1970, before me personally appeared Geo. R. Johnston, to me personally known, who being by me duly sworn, says that he is the Vice-President of DULUTH, WINNIPEG & PACIFIC RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

R. Langelle
Notary
Notary

(Seal)

My commission is for life.

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

On this 17 day of July, 1970, before me personally appeared E. E. Easton, to me known to be one of the persons described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

Donna Marie Carrigan
Notary

(Seal)

My commission expires: April 17, 1974

STATE OF MASSACHUSETTS)
) SS
COUNTY OF Suffolk)

On this 23rd day of July, 1970, before me personally appeared L. S. Madden, Jr., to me personally known, who being by me duly sworn, says that he is the Vice-President of LIBERTY MUTUAL INSURANCE COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Beatrice E. Mann
Notary

(Seal) BEATRICE E. MANN, Notary Public
my commission expires March 22, 1974

~~My commission is for life.~~

STATE OF MASSACHUSETTS)
COUNTY OF Suffolk) SS

On this 23rd day of July, 1970, before me personally appeared P. J. Madden, to me personally known, who being by me duly sworn, says that he is the President of LIBERTY MUTUAL FIRE INSURANCE COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

BEATRICE E. MANN, Notary Public
My commission expires March 22, 1974

Beatrice E. Mann
Notary

(Seal)

~~My commission is for life.~~

PROVINCE OF QUEBEC)
CITY OF MONTREAL) SS

On this 5th day of ^{August} ~~July~~, 1970, before me personally appeared W. G. Bourassa, to me personally known, who being by me duly sworn, says that he is the Vice-President of CANADIAN NATIONAL RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

R. G. Gaudet
Notary

(Seal)

My commission is for life.

SCHEDULE 1 - A

MANUFACTURER: Marine Industries

PLANT OF MANUFACTURER: Montreal, Quebec

DESCRIPTION OF EQUIPMENT: Forty Six (46)
(INCLUDING ROAD NUMBER) 70-ton steel bulkhead flat cars
bearing car nos. DWC 607900 to
607945, both inclusive

PRICE: \$13,671.00 per unit
\$628,866.00 for all 46 Items.

DELIVER TO: Duluth, Winnepeg and Pacific Railroad,
as designated by the Railroad

OUTSIDE DELIVERY DATE: September 30, 1970

RENTAL PERIOD: Twenty (20) years, commencing with the
first Rental Payment Date

FIXED RENTAL PAYMENTS: Forty (40) semi-annual rental payments,
each in advance, at \$632.97 per Item
of equipment or an aggregate of
\$29,116.62 for all 46 Items.

ANNUAL RENEWAL: None

LESSEE: Duluth, Winnepeg and Pacific Railroad - Trust #1
TRUSTOR: First Wisconsin National Bank of Milwaukee
LENDER: Liberty Mutual Fire Insurance Company

All "Dollar" amounts are expressed and payable in U.S. Dollars.

Estimated
Equipment Cost Basis:

In Canadian Dollars	\$ 13,950.00 per unit
In U.S. Dollars @ 98%	\$ 13,671.00 per unit

In the event the final price of any Items covered by this Schedule is greater or less than the amount shown above or the conversion rate of U. S. Dollars to Canadian Dollars is greater or less than \$.98 U.S. , the rentals for such Item shall be ratably increased or reduced.

SCHEDULE 1 - B

MANUFACTURER: Marine Industries

PLANT OF MANUFACTURER: Montreal, Quebec

DESCRIPTION OF EQUIPMENT: Three Hundred and Four (304)
(INCLUDING ROAD NUMBER) 70-ton steel bulkhead flat cars
bearing car nos. DWC 607946 to
607999, both inclusive and DWC
608350 to 608599, both inclusive

PRICE: \$13,671.00 per unit
\$4,155,984.00 for all 304 units

DELIVER TO: Duluth, Winnepeg and Pacific Railroad,
as designated by the Railroad

OUTSIDE DELIVERY DATE: September 30, 1970

RENTAL PERIOD: Twenty (20) years, commencing with the
first Rental Payment Date

FIXED RENTAL PAYMENTS: Forty (40) semi-annual rental payments,
each in advance, at \$632.97 per Item
of equipment or an aggregate of
\$192,422.88 for all 304 Items.

ANNUAL RENEWAL: None

LESSEE: Duluth, Winnepeg and Pacific Railroad - Trust #1
TRUSTOR: First Wisconsin National Bank of Milwaukee
LENDER: Liberty Mutual Insurance Company

All "Dollar" amounts are expressed and payable in U. S. Dollars

Estimated
Equipment Cost Basis:

In Canadian Dollars	\$ 13,950.00 per unit
In U.S. Dollars @ 98%	\$ 13,671.00 per unit

In the event the final price of any Items covered by this Schedule is greater or less than the amount shown above or the conversion rate of U.S. Dollars to Canadian Dollars is greater or less than \$.98 U.S., the rentals for such Item shall be ratably increased or reduced.